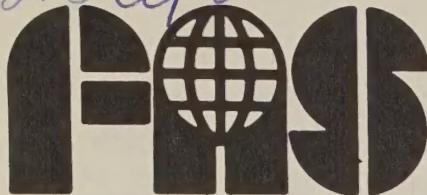


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WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE

WR 24-80

WASHINGTON, Oct. 29--The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following recent developments in world agriculture and trade:

GRAIN AND FEED

The EUROPEAN COMMUNITY (EC) has added China to its weekly soft wheat export tender system--a first step in making China eligible for export subsidies. Pressure has been building in the EC for greater grain exports in light of a record high soft wheat harvest of about 46 million tons, high intervention stocks, and low internal prices. A large French cereals cooperative group, UNCAC, has called for quick implementation of a recently concluded wheat agreement covering 500,000 to 700,000 tons of French wheat per year to China for the next three years.

For EC wheat to be competitive in the Chinese market, costly subsidies will be required. Compared to other areas covered by the tender, higher subsidies will be needed for EC exports to China to cover higher transportation costs.

Since July, the Commission had been limiting the volume of wheat accepted under the weekly tender system to avoid excessive expenditures for export subsidies. Less than 50,000 tons per week has been accepted during this period, compared with earlier quantities which averaged 150,000 tons to non-East European destinations. But world prices have been rising relative to normally higher internal EC prices and the level of EC subsidies is now 30 percent lower than when the limitations were imposed in early July. Thus, the cost of future EC exports to China and to other destinations has diminished.

OILSEEDS AND PRODUCTS

The NETHERLANDS' imports of soybeans and meal registered significant gains in 1979/80, according to the U.S. agricultural counselor in The Hague. Total imports of soybeans during October 1979-August 1980 were 3.2 million tons up about 406,000 tons or 14 percent above the same period in 1978/79. Soybean meal imports in October 1979-July 1980, at 840,000 tons, gained by about 7 percent. The Netherlands' imports of soybeans and soybean meal, with comparisons, were as follows, in 1,000 tons:

- more -

MARY FRANCES CHUGG, Editor. Tel: (202) 447-3370, 447-2381. Weather and Crop Summary prepared by the Joint Agricultural Weather Facility of USDA and NOAA. Tel: (202) 447-8760, 447-7917. Additional copies may be obtained from the FAS Information Services Staff, Room 5918-South, Washington, D.C. 20250. Tel: 447-7937.

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<u>Country of origin</u>	<u>Soybeans (Oct.-Aug.)</u>			<u>Soybean meal (Oct.-July)</u>		
	<u>1977/78</u>	<u>1978/79</u>	<u>1979/80</u>	<u>1977/78</u>	<u>1978/79</u>	<u>1979/80</u>
United States	1,756	2,317	2,900	251	220	484
Brazil	166	130	110	380	442	330
Argentina	95	354	146	48	77	6
Others	22	22	73	82	48	20
Total	<u>2,039</u>	<u>2,823</u>	<u>3,229</u>	<u>761</u>	<u>787</u>	<u>840</u>

HORTICULTURAL AND TROPICAL PRODUCTS

THAILAND lifted its ban on imports of fresh apples, pears and dried fruit on Oct. 17. In addition, the import duty for fresh and dried fruit was lowered from 60 percent or 40 Baht per kilogram (whichever is greater), to 60 percent or 25 Baht per kilogram. (One Baht equals 5 U.S. cents.)

U.S. COCOA bean grindings during the third quarter of 1980 amounted to 34,877 tons, off nearly 16 percent from a year earlier. Grindings for the first nine months have totaled 99,192 tons, nearly 20 percent below the corresponding period in 1979. In 1979, total grindings were 160,302 tons, about unchanged from the 1978 level of 162,660 tons.

Lower U.S. grind levels of recent years have been attributed to increased imports of semi-processed cocoa products, as well as high world cocoa prices, increased use of substitutes and extenders, inflation and the economic slowdown.

BRAZIL'S honey production in 1980 is estimated at 2,000 tons above the 5,000 tons produced a year earlier.

According to reports from southern Brazil, beekeepers currently are receiving \$1.80 to \$2.15 per kilogram for honey. Costs of production account for about 80 percent of the producer price.

The Brazilian Confederation of Beekeeping (CBA) in Florianopolis, Santa Catarina is promoting beekeeping in southern Brazil. Selective breeding and natural hybridization with European strains have had success in reducing the aggressiveness of the African bees without lowering productivity.

In 1979, Brazil's honey exports declined, despite slightly larger output. Consumption increased while stocks apparently were built up.

About 350 tons of beeswax were exported in 1979, valued at \$1.6 million. The United Kingdom, France, West Germany and the United States were the main destinations.

In INDIA, early season prospects indicate that the 1980/81 (Nov.-Oct.) pepper crop will total between 38,000 to 40,000 tons, compared with the 1979/80 harvest of 38,000 tons. Pepper exports during November 1979 through July 1980 amounted to 23,186 tons, up from 16,322 tons shipped during the corresponding period a year earlier. Total 1979/80 exports are expected to range from 25,000 to 26,000 tons.

NEW RELEASES OF FOREIGN AGRICULTURE CIRCULARS

World Oilseeds Situation and Outlook FOP 22-80

World Cotton Situation FC 21-80

World Coffee Crop for 1980/81 Up marginally from Initial Estimate FCOF 5-80

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INTERNATIONAL WEATHER AND CROP SUMMARY, Oct. 20-26

USSR--A high pressure system maintained generally fair weather over the eastern three-quarters of European USSR. Above-normal precipitation again covered the Baltics and Belorussia, and spread into the western third of the Ukraine and the northwestern part of the Central Region. Conditions in these northwestern winter-grain areas were quite unfavorable for harvesting. The drier weather to the southeast favored the harvesting of spring-planted crops. Temperatures remained above normal over the region, but were too low to maintain winter grain growth across the northeastern third of the belt. Sub-freezing temperatures occurred over most agricultural areas at least once during the week, possibly causing some damage to exposed sugar beets.

EUROPE--Precipitation tended to slacken in most countries, but stayed above normal in much of France, Switzerland, western Austria and northern Italy. Portions of the southeastern countries saw increased precipitation as a storm developed in the Mediterranean late in the week. Relatively light rainfall in the northeastern countries allowed fieldwork to resume. Winter grains have sufficient moisture in all areas, but conditions remain too wet for late harvest activities in the rainy areas. Temperatures returned to near normal in general, with some pockets of cooler-than-normal conditions in the west and warmer-than-normal in the south. Frost occurred at many locations during the week, and normal low temperatures in the north have nearly brought winter grain development to a halt. Light precipitation over the Iberian Peninsula maintained good soil moisture as winter grain sowing began.

SOUTH AFRICA--Showers produced 20 to 50 mm in the northern and eastern portions of the Transvaal where about 10 percent of the maize crop is grown. Moisture supplies are adequate now in those areas for early growth of the maize crop. Elsewhere in the Transvaal and Orange Free State, weekly totals were low (5 to 15 mm) and additional soil moisture is needed to provide a good start for the maize crop.

NORTHWESTERN AFRICA--Only light rain fell over most agricultural areas of northwestern Africa, but heavier totals were recorded in northern Tunisia and eastern Algeria. Soil moisture in most areas was adequate for germination of winter grains. Only in parts of western Algeria were surface soils still too dry.

AUSTRALIA--The drought-stricken crop areas of Queensland and New South Wales received 10 to 25 mm of rain during the week, which interfered with the wheat harvest and is causing some concern for grain quality. Moisture, however, is needed for sowing and emergence of maize and other spring-planted crops in that area. Light showers fell in the southern wheat areas. In Western Australia, the southern crop area received 10 to 25 mm of rain, while the northern portion continued to receive below-average amounts. The main wheat harvest usually is in November and December.

EASTERN ASIA--Wetter than normal weather persisted south of the Yangtze River, and only parts of Fujian and Guangdong escaped the dampness. These conditions were unfavorable for harvesting of the late rice crop. Only light rain fell over southern portions of the North China Plain; soil moisture remains good for winter-grain germination and development. A front moving across the north dropped beneficial precipitation on winter grain areas north of the Yellow River and into Shandong. Even though frost occurred in the area after the front had passed, a return to normal temperatures should permit continued fall development. In Korea, precipitation from the same front disrupted rice harvesting, and freezing temperatures which followed hurt the crop further.

SOUTHEAST ASIA--Scattered showers produced less than 10 mm of rainfall in most of northern Thailand, but heavier showers near the seasonal average of 25 to 50 mm fell in the southern and eastern portions. In the Central Plains, the somewhat drier weather should help the waterlogged fields. An estimated 20 percent of the area flooded by heavy rains in September and early October was agricultural land. The main wet-season rice crop should be in the flowering to early grain-filling period in late October. Drier weather with abundant sunshine is needed during the latter portion of this crop cycle to ensure a good yield potential.

SOUTH ASIA--At the beginning of the week, Bangladesh received abundant moisture from a system which had moved up the coast of India. Showers also lingered over much of eastern India. Winter-harvested rice still benefited from the moisture. In southern India, near-normal rainfall continued, while light rains in the north improved soil moisture for winter wheat.

MEXICO--The dry season setting in on schedule over the west coast favored vegetable development. Moderate rain over the northeast is helping size citrus fruit. Most of the southern plateau's corn belt had light showers which benefited the late crop. Cotton areas had sunny, warm weather except at Chihuahua where a few showers slowed the harvest. Heavy rains interrupted the harvest of fall crops over the Bay of Campeche coastal plain.

CANADA--Scattered showers produced less than 10 mm of precipitation in all but the southwestern portion of the Canadian Prairies. In the southwest, weekly totals ranged from 10 to 28 mm. Some harvest delays due to unfavorable weather continued in the northern districts of Alberta, however, the grain harvest is nearly complete in most areas. (Weekly weather summaries will be discontinued until next spring when land preparation begins for spring planting.)

SOUTH AMERICA--After a week of above-normal precipitation in the wheat-growing area, dry weather again prevailed in Argentina except for showers in Cordoba, Santa Fe and eastern Buenos Aires. During the latter part of the week,

strong southerly winds brought cold air into the region, and some scattered frost may have occurred as nighttime temperatures neared freezing in southern Buenos Aires. The wheat crop has advanced into the early grain-filling stage in most areas. In Brazil, heavy rain dumped 50 to 100 mm on portions of Parana, Santa Catarina and Rio Grande do Sul. The wet weather interfered with wheat harvest in the north and slowed ripening in the south. The main wheat harvest is usually complete by early November in the north and by early December in Rio Grande do Sul. The heavy rain also may cause delays in spring plantings because of the excessively wet fields.

Rotterdam Prices and E.C. Import Levies:

Asking prices in U.S. dollars for imported grain, soybeans and tapioca, c.i.f., Rotterdam, the Netherlands, compared with a week earlier and a year ago:

Wheat:

Canadian No. 1 CWRS-12.5%...	1/	1/	1/	210.00
U.S. No. 2 DNS/NS: 14%....	224.00	6.10	+11	204.00
U.S. No. 2 DHW/HW:13.5%....	226.50	6.16	+9	205.00
U.S. No. 2 S.R.W.....	222.50	6.06	+7	191.00
U.S. No. 3 H.A.D.....	304.00	8.27	-14	247.00
Canadian No. 1 A: Durum....	1/	1/	1/	267.00

Feedgrains:

U.S. No. 3 Yellow Corn.....	167.50	4.25	+11	136.00	
U.S. No. 2 Sorghum <u>2/</u>	181.00	4.60	+12	144.00	
Feed Barley <u>3/</u>	186.00	4.05	+13	166.00	
Thailand Tapioca.....	167.45	--	-1.20	5/	--

Soybeans:

U.S. No. 2 Yellow.....	348.15	9.48	+38	262.00
Argentine 4/.....	1/	1/	1/	1/
U.S. 44% Soybean Meal (M.T.)	328.00	--	+22.00	5/ 232.00

EC Import Levies

Wheat 6/.....	89.35	2.43	-14	103.50
Barley.....	68.80	1.50	-15	82.25
Corn.....	99.70	2.53	-17	118.95
Sorghum.....	78.05	1.98	-24	107.40

1/ Not available.

2/ Optional delivery: U.S. or Argentine Granifero Sorghum.

2/ Optional delivery: U.S. or Argentine Granules
3/ Optional delivery: U.S. or Canadian Feed Barley

3/ Optional delivery: U.S. or Canada

4/ Optional delivery: Bra

5/- Dollars per metric ton.
6/- Durum has a special levy.

6/ Durum has a special levy.
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